GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2175
ANSWERED ON:04.08.2000
VALUE ADDED TAX
JAI PRAKASH

Will the Minister of FINANCE be pleased to state:

(a) the States which have implemented in principle the Value Added Tax (VAT) System and informed the Union Government in this regard;

(b) whether any consultations were held in this regard in the meeting of the Chief Ministers and Finance Ministers held in June,2000 along with the views expressed by various states thereon;

(c) whether the Government propose to change the last date i.e. 1 April, 2001 fixed for implementation of VAT scheme in view of the stand taken by the State Governments in this regard; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) : No State Government has so far implemented inprinciple the VAT. In the Conference of Chief Ministers held on22nd June, 2000, the issue regarding milestones and Methodology for introduction of VAT has been discussed. There was consensus that States which can implement VAT by 1.4.2001 may go ahead. For others, Standing Committee of Finance Ministers will preparemilestones and road maps.

(c) & (d): in the meeting of Empowered Committee of StateFinance Ministers subsequently held on 21.7.2000, there wasgeneral consensus among the States that VAT should be introduced from 1st April, 2002 as preparation for computerisation and training to officials requires additional time.